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November 18, 2005

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OF COUNSEL
WILLIAM G. CONLY

Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 44275
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Cotton Valley Formation, Reservoir A, CADDOPINE
ISLAND FIELD, Caddo Parish, Louisiana.

and

Hosston B Zone, Reservoir A, WALNUT BAYOU
FIELD, Caddo Parish, Louisiana.

Dear Sir:

MATADOR PRODUCTION COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Cotton Valley Formation, Reservoir A, in the Caddo-Pine Island Field, and the Hosston B Zone, Reservoir A, in the Walnut Bayou Field, Caddo Parish, Louisiana:

1. To permit Applicant to drill, designate and utilize three (3) alternate unit wells for CV RA SUE (Caddo-Pine Island Field), at the locations shown on an attached plat, in exception to the spacing provisions of Office of Conservation Order No. 122-M, effective January 1, 1977.
2. To permit Applicant to drill, designate and utilize a substitute unit well and one (1) alternate unit well each for HOSS B RA SUD and HOSS B RA SUE (Walnut Bayou Field), at the locations shown on an attached plat.
3. To find that each of the proposed substitute and alternate unit wells is necessary to efficiently and economically drain a portion of the hydrocarbons underlying the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well on such unit.
4. To designate Applicant as operator of each of the units which are the subject of this application.
5. To permit the operator of each of the units which are the subject of this application to produce the unit allowable from either the unit or substitute unit well, any alternate unit well, or from any combination of such wells, at the option of the operator.
6. To authorize the downhole combination of production from the Cotton Valley Formation, Reservoir A, and the Hosston B Zone, Reservoir A, in the wellbore of any existing or subsequently drilled wells located on the units designated CV RA SUE, HOSS B RA SUD and HOSS B RA SUE.

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7. To discuss such other matters as may be pertinent to this application.

The Cotton Valley Formation, Reservoir A, in the Caddo-Pine Island Field, Caddo Parish, Louisiana, was defined in Office of Conservation Order No. 122-M, effective January 1, 1977.

The Hosston B Zone, Reservoir A, in the Walnut Bayou Field, Caddo Parish, Louisiana, was defined in Office of Conservation Order No. 782-B-2, effective April 16, 1991.

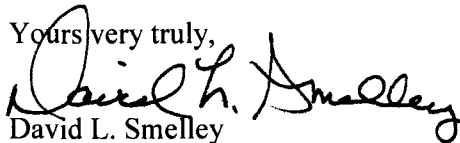
Any pertinent data concerning this application will be available for inspection at the offices of Louis F. Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, LA 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of each of the attached plats, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Caddo-Pine Island and Walnut Bayou Fields, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose a check payable to the Commissioner of Conservation for the application fee.

Yours very truly,


--
David L. Smelley
Attorney for Matador Production Company

DLS:dp
Enclosures

cc: Mr. Jim Broussard (w/encls.)
Mr. Kevin Donahue (w/encls.)
Mr. Louis Gilbert (w/encls.)
Interested Owners, Represented
Parties and Interested Parties (w/plat only)

